

### **REMARKS**

Applicants reply within two months to the Final Office Action dated September 15, 2010. Claims 1 and 29-51 are pending in the application and the Examiner rejects claims 1 and 29-51. Applicants present amendments to the claims and respectfully submit that the amendments find support in the application as filed. Reconsideration of this application is respectfully requested.

#### **Pre-Reply Communications With the Examiner**

Applicants thank the Examiner for initiating the various discussions conducted with Applicants' counsel after the Final Office Action was issued. Applicants discussed certain proposed amendments with the Examiner, and the amendments presented herewith are in accordance with those discussions.

#### **Traversal of Official Notice in Prior Office Action**

In the Final Office Action, the Examiner's states that Applicants' traversal of the Official Notice taken by the Examiner in the previous Office Action was inadequate (see Final Office Action, page 2). Applicants respectfully disagree and continue to traverse the Official Notice. Specifically, the M.P.E.P. states, for an adequate traversal to occur, that "an applicant must specifically point out the supposed errors in the examiner's action, which would include stating why the noticed fact is not considered to be common knowledge or well-known in the art." M.P.E.P. § 2144.03(C).

Applicants fulfilled the requirements of the M.P.E.P. by (1) quoting the Examiner's statement of Official Notice and traversing it, and (2) stating why the noticed fact is not considered to be common knowledge or well-known in the art. The Examiner agrees that the first element was satisfied in Applicants' prior Reply (see Final Office Action, page 2). Regarding the second element, Applicants clearly stated, "as of the priority date, it was not obvious to conduct the *claimed transactions* with an RF device" (Reply to Office Action dated March 5, 2010; emphasis added).

This statement explains why the "noticed fact" is not to considered to be common knowledge in light of the Examiner's Official Notice statement in the prior Office Action, which was simply, "using RF device are [*sic*] old and well known in the art to perform transaction[s]. Therefore, it would have been obvious to substitute [an] RF device for the card to

obtain [a] predictable result.” The Examiner appears to assume that any transaction, whatsoever, with an RF device, is obvious in light of the Examiner’s prior knowledge. But Applicants disagree directly with this assumption by stating that the “claimed transactions” (*see, e.g.*, at least the elements of claim 1) are not obvious in light of the prior art. Namely, one reason why the “noticed fact” is not common knowledge is that the specifically claimed transactions are not common knowledge. The Examiner provided no support or rationale for why it would be obvious to perform the claimed transactions with an RF device, and Applicants therefore traversed, and continue to traverse, the Official Notice.

With respect to the four references cited in the present Office Action in the Examiner’s discussion of the Official Notice (McKeen US 6,529,880, Johnson, Jr. US 6,470,233, Brady US 6,201,474, and Nicholson US 6,332,128), the Examiner has still not shown why it would have been obvious to implement the *claimed transactions* with an RF device. Therefore, Applicants continue to traverse the Examiner’s Official Notice. Regardless, however, Applicants assert that the claims presented with this Reply are differentiated over the prior art, even with the Examiner’s statement of Official Notice, as discussed below.

### **Section 103 Rejections**

The Examiner rejects claims 1, 29-30, 39, and 41-50 under 35 U.S.C. § 103(a) as being unpatentable over Zacharias, U.S. Patent No. 6,494,367 (“Zacharias”) in view of Pare, Jr. et al., U.S. Patent No. 5,870,723 (“Pare”) in further view of Hsu, U.S. Patent Application No. 6,041,410 (“Hsu”). Claim 31 is rejected under 35 U.S.C. § 103(a) as being unpatentable over Zacharias in view of Pare, and further in view of Hsu and Maritzen, et al., U.S. Patent Publication No. 2002/0073042 (“Maritzen”). Claims 32-34, 37-38 and 40 are rejected under 35 U.S.C. § 103(a) as being unpatentable over Zacharias in view of Pare, in further view of Hsu, Maritzen and Walker, et al., U.S. Patent Publication No. 2005/0027650 (“Walker”). Claim 35 is rejected under 35 U.S.C. § 103(a) as being unpatentable over Zacharias, in view of Pare, Jr., in further view of Hsu and Siegel, U.S. Patent No. 7,289,970 (“Siegel”). Claim 36 is rejected under 35 U.S.C. § 103(a) as being unpatentable over Zacharias, in view of Pare, in further view of Hsu, Maritzen, and Siegel. Claim 51 is rejected under 35 U.S.C. § 103(a) as being unpatentable over Zacharias, in view of Pare, in further view of Hsu, Maritzen and Walker. Applicants respectfully disagree with these rejections, but present amendments to clarify the patentable aspects of the claims and to expedite prosecution. Further, Applicants do not concede that Zacharias, Maritzen,

Walker, and Siegel are in fact prior art with respect to this application, and Applicants reserve the right to antedate Zacharias, Maritzen, Walker, and/or Siegel.

The Examiner has not shown a *prima facie* case of obviousness because Pare **teaches away from** Applicants' claims (as discussed in Applicants' previous Reply). The Federal Circuit has held that a combination of prior art elements is not obvious "if the prior art indicated that the invention *would not have worked for its intended purpose* or otherwise *taught away* from the invention." *Depuy Spine, Inc. v. Medtronic Sofamor Danek, Inc.*, 567 F.3d 1314, 1326, 90 U.S.P.Q.2d 1865, 1873 (Fed. Cir. 2009) (discussing *KSR Int'l Co. v. Teleflex Inc.*, 550 U.S. 398, 82 U.S.P.Q.2d 1385 (2007)). Thus, Pare is not properly combinable with any references because Pare cannot support a *prima facie* case of obviousness.

To reiterate, Pare discloses a "system for **tokenless** authorization of commercial transactions . . . [where] a buyer can conduct commercial transactions **without having to use any tokens**" (Pare, Abstract; emphasis added). Therefore, regardless of whether or not Pare discloses biometrics, Pare does not disclose or contemplate, alone or in combination with the cited references, and in fact **teaches away from**: "A **portable** Radio Frequency (RF) payment device, comprising: a biometric sensor **configured to detect a biometric sample of a user of the portable RF payment device**" as recited in claim 50 (emphasis added), and as similarly recited in claims 1, 48-49, and 51. Zacharias, Hsu, and the other cited references cannot account for this deficiency because Pare **teaches away from** the claims regardless of what Zacharias, Hsu, or the other cited references disclose.

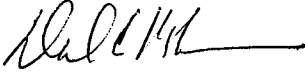
Furthermore, there is no motivation to combine Pare with Zacharias and/or Hsu, because incorporating Pare into Zacharias and/or Hsu would render these references inoperable for their intended purpose. M.P.E.P. § 2143.01(V) ("[i]f proposed modification would render the prior art invention being modified unsatisfactory for its intended purpose, *then there is no suggestion or motivation* to make the proposed modification" (emphasis added)). For example, Zacharias discloses a "multi-application **card**" (Zacharias, Abstract; emphasis added), and Hsu discloses a "handheld **fob**" (Hsu, Abstract; emphasis added). Requiring Zacharias and/or Hsu to function in a "tokenless" manner as required by Pare (Pare, Abstract) would render these references inoperable for their intended purpose. For at least these reasons, and because the Examiner has not shown a *prima facie* case of obviousness, Applicants respectfully request withdrawal of the rejections of claims 1, 48-49, 50 and 51.

Dependent claims 29-47 variously depend from claim 1 and are differentiated from the cited references for at least the same reasons for differentiating claim 1, in addition to their own respective features. Applicants therefore request withdrawal of the rejections of claims 29-47.

In view of the above remarks, Applicants respectfully request withdrawal of all pending rejections. The Examiner is invited to telephone the undersigned at the Examiner's convenience, if that would help further prosecution of the subject application. The Commissioner is authorized to charge any fees due to Deposit Account No. 19-2814.

Respectfully submitted,

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